IN THE CLAIMS

Please amend the claims as follows:

1. (Currently Amended) A method of presenting advertising in a subscriber broadcast system, the method comprising:

offering an upgraded advertising service;

receiving subscriptions to said upgraded advertising service;

delivering set top box computer program code to a plurality of set top boxes, each set top box being associated with an upgraded advertising service subscriber;

receiving a plurality of video feeds including a plurality of advertisements;

providing indicators for a first advertisement and a second advertisement of said plurality of advertisements wherein said indicators include a first priority level indicator and a first category indicator associated with the first advertisement, and a second priority level indicator and a second category indicator associated with the second advertisement;

receiving from at least one subscriber a selection of a first priority level associated with the first advertisement, and a second priority level associated with the second advertisement, and storing the selection in a set top box of the at least one subscriber; and

broadcasting a video signal comprising program content, said plurality of advertisements, and said indicators to the plurality of set top boxes;

wherein the set top box computer program code is to:

compare the first category indicator and the second category indicator to a stored category value;

compare the first priority level indicator and the second priority level indicator; and

select said second advertisement when the <u>first and</u> second category <u>indicators</u> <u>correspond</u> <u>indicator corresponds</u> to said stored category value and the second priority level <u>indicator</u> is greater than or equal to said first priority level <u>indicator</u>.

- 2. (Original) The method of claim 1 further comprising:
- receiving a request for an advertising category from at least one subscriber of said plurality of subscribers.
- 3. (Original) The method of claim 1 further comprising:

broadcasting an advertising indicator that includes a network address for an advertisement that can be accessed across a network.

- 4. (Original) The method of claim 1 further comprising:
- downloading an advertisement and corresponding indicator to local storage of a set top box.
- 5. (Original) The method of claim 1 further comprising:

selecting said plurality of advertisements based upon demographic characteristics of said plurality of set top boxes.

6. (Currently Amended) A method for displaying user selected advertising in a subscriber broadcast system, the method comprising:

requesting a category of advertisement from a plurality of advertisement categories, the category being selected by a subscriber, the selected category of advertisement having an associated stored category value;

requesting a selection of priority levels associated with advertisements, the selection of priority levels being provided by at least one subscriber and stored in a set top box of the at least one subscriber; the selection of priority levels including a first priority level associated with a first advertisement, and a second priority level associated with a second advertisement;

receiving a video signal comprising program content, a standard advertisement, and an advertisement indicator, wherein said advertisement indicator indicates a priority level and a category value for an advertisement corresponding to the category;

determining if said standard advertisement may be replaced with an upgraded advertisement;

accessing upgraded advertisement content if it is determined that said standard advertisement may be replaced with an upgraded advertisement, wherein the upgraded advertisement content includes [[a]] the first advertisement and [[a]] the second advertisement, and wherein a first advertisement indicator including a first priority level indicator and a first category indicator is associated with the first advertisement and a second advertisement indicator including a second priority level indicator and a second category indicator is associated with the second advertisement;

selecting between said first advertisement and said second advertisement by:

comparing the first category indicator and the second category indicator to a stored category value;

comparing the first priority level indicator and the second priority level indicator; and

selecting said second advertisement when the <u>first and</u> second category <u>indicators</u> <u>correspond</u> <u>indicator of said second advertisement corresponds</u> to said stored category value and the second priority level <u>indicator</u> is greater than or equal to said first priority level <u>indicator</u>; and

displaying the selected advertisement.

7. (Currently Amended) An upgraded advertising production system comprising: a processor;

an advertisement detector to receive a video feed comprising program content and advertising;

an advertisement indicator editor configured to create, modify, and delete at least one advertisement indicator associated with an advertisement contained in said video feed;

a channel multiplexer to receive said program content, at least one advertisement, at least one priority level selection, and said at least one advertisement indicator, the priority level selection being received from at least one subscriber, and to format said program content, said at least one advertisement, said at least one priority level selection, and said at least one advertisement indicator for transmission; and

a transmitter to transmit said program content, said at least one advertisement, said at least one priority level selection, and said at least one advertisement indicator to a set top box, said at least one priority level to be stored in the set top box, wherein said at least one advertisement indicator includes a priority level indicator and a category indicator for a corresponding advertisement to allow a computer program code to compare a first category indicator associated with a first advertisement and a second category indicator associated with a second advertisement to a stored category value, compare a first priority level indicator associated with said second advertisement, and select said second advertisement when the first and second category indicator corresponds indicators correspond to said stored category value and said second priority level indicator.

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8. (Currently Amended) A set top box to selectively display upgraded advertising comprising:

a processor;

an audio/video processor to output audio and video signals to a display unit;

a tuner controlled by said processor to receive a video input comprising program content, a first advertisement, a first advertisement indicator including a first priority level indicator and a first category indicator associated with the first advertisement, a second advertisement, and a second advertisement indicator including a second priority level indicator and a second category indicator associated with the second advertisement;

the processor to operate a first computer program code operating on said processor to compare the first category indicator and the second category indicator to a stored category value and to compare the first priority level indicator with the second priority level indicator and to select said second advertisement when the first and second category indicator corresponds indicators correspond to said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator, the first and second priority levels being based on a priority level selection, received by a subscriber broadcast system, from at least one subscriber and stored in the set top box; and

the processor to operate a second computer program code to provide said first advertisement to said audio/video processor if said first advertisement is selected and to access and provide said second advertisement to said audio/video processor if said second advertisement is selected.

- 9. (Currently Amended) The set top box of claim 8 wherein the processor is to operate a third further comprising computer program code to process a user input and store said stored category value in said set top box.
- 10. (Currently Amended) The set top box of claim 8 wherein the processor is to operate a third further comprising computer program code to a remote control input as being specific to

upon an identifier of said one user.

one user and to select said stored category value from a plurality of stored category values based

11. (Previous Presented) The set top box of claim 8 wherein said second computer program code further comprises code that is configured to adjust said tuner to receive said second

advertisement.

12. (Previous Presented) The set top box of claim 8 wherein said second computer program

code further comprises code that is configured to acquire said second advertisement across a

network.

13. (Previous Presented) The set top box of claim 8 further comprising:

a video combiner to combine a portion of said first advertisement with a portion of said

second advertisement.

14. (Currently Amended) An upgraded advertising production system comprising:

processing means;

means for detecting an advertising period in a video feed;

editing means for creating, modifying, and deleting an advertisement indicator associated

with said video feed to produce an edited video feed;

multiplexer means for receiving said edited video feed and at least one priority level

selection from at least one subscriber, accessing advertising content, and formatting said edited

video feed, said at least one priority level selection, and said advertising content for transmission;

and

transmission means for transmitting said edited video feed, said at least one priority level

selection, and said advertising content to a set top box, said at least one priority level to be stored

in the set top box, said advertising content including a first advertisement and a second

advertisement, wherein a first priority level indicator and a first category indicator is associated

with said first advertisement, and a second priority level indicator and a second category

indicator is associated with said second advertisement to allow computer program means at said

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set top box to compare the first priority level indicator and the second priority level indicator and select said second advertisement when the <u>first and the</u> second category <u>indicators correspond</u> indicator corresponds to said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator.

15. (Currently Amended) A set top box that selectively displays upgraded advertising comprising:

processor means;

audio/video processing means for outputting audio and video signals to a display unit; tuning means controlled by said processor means for receiving a video input comprising program content, a first advertisement a second advertisement, a first priority level indicator and a first category indicator associated with the first advertisement, and a second priority level indicator and a second category indicator associated with the second advertisement;

the processor means to operate computer program code means operating on said processor-for comparing said first category indicator and said second category indicator to a stored category value and comparing the first priority level indicator with the second priority level indicator and selecting said second advertisement when the first and the second category indicator corresponds indicators correspond with said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator, the first and second priority levels being based on a priority level selection, received by a subscriber broadcast system, from at least one subscriber and stored in the set top box; and

the processor means to operate second computer program code means for providing said first advertisement to said audio/video processor if said first advertisement is selected and accessing and providing said second advertisement to said audio/video processor if said second advertisement is selected.

AMENDMENT AND RESPONSE UNDER 37 C.F.R § 1.111

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16. (Previous Presented) The method of claim 1, further including:

defining a plurality of advertising categories;

receiving user requests for said advertising categories;

determining a count of advertisements viewed in each category of said plurality of advertising categories; and

creating a billing statement reflecting said count of advertisements in each category.

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